



Together, we can.

September 3, 2010

The Honorable Mark Sanford
Governor, State of South Carolina
PO Box 12267
Columbia, SC 29211

Dear Governor Sanford:

All South Carolina students should graduate from high school ready for college and careers leading to meaningful and purposeful citizenship. Businesses demand it. Parents want it for their sons and daughters. And students need that preparation to compete in the 21st Century global marketplace. Unfortunately, there is a disconnect between the needs of our students and how we fund for education, and this disconnect will have a long-term impact on our state and its economy until collectively we make education our first priority. This is the setting in which we find ourselves as I prepare the FY 2012 budget request for South Carolina's students.

Morale in South Carolina schools may be at an all-time low. Schools began this school year with \$788 million less in state funding than they began with two years ago. Local districts have eliminated between 4,000 and 6,000 positions in the last two years, with even more cuts anticipated next year. Teachers are facing up to 78,000 mandatory furlough days this year, amounting to salary cuts of up to \$20 million. These are the people that we entrust with the future of our students and the future of our state.

State budget cuts have forced districts to increase class sizes; eliminate successful academic programs; reduce course offerings; use outdated textbooks, computer software, and other classroom materials; defer building maintenance; and increase fees to parents for extracurricular activities.

The percentage of South Carolina students living in poverty has increased from 73 percent two years ago to 75 percent today. Many of these students are experiencing poverty for the first time and have to deal with the effects of parents losing their jobs. The challenges for educating these students have increased.

For all of these reasons, I request that South Carolina's teachers be provided with a well-deserved cost-of-living raise in FY 2012—their first in three years.

The Education Finance Act (EFA) provides for the basic education foundation program. While the FY 2012 projected EFA base student cost (BSC) is \$2,790, the FY 2011 BSC funded by the General Assembly is \$1,620. With an estimated 873,427 weighted pupil units, achieving the FY 2012 BSC would require an EFA and related school district employer contributions increase of approximately \$772 million.

With the adoption of the Common Core State Standards and the priority we have set for improving literacy, the \$49 million in lottery funds are crucial to our ability to implement the standards and the initiatives needed to make these improvements. We request that these nonrecurring funds be allocated to K-12.

The state must provide students with safe, reliable, and efficient school bus transportation service. This service will require an increase of \$40 million in order to restore budget reductions, replace nonrecurring funds, and replace vehicles in our aging school bus fleet.

Maintaining the state's system of collecting student and teacher data requires an increase of \$3.1 million.

The highly successful Education and Economic Development Act passed under your leadership with the support of the business community must be restored to the funding level it received in 2008. If we are serious about preparing students for the 21st Century, we must provide them with the courses, job shadowing, internships, and counseling they need to equip themselves with the necessary knowledge and skills. Full funding of the EEDA would require an additional \$4.6 million.

To reduce the large number of students on waiting lists for the Virtual School Program, we request an additional \$2.3 million to hire teachers to provide requested courses. This summer, we had 8,520 requests for summer school courses but were only able to serve 5,806. Many students who were able to participate in summer school recovered classes that will make it more likely to keep them on schedule to graduate on time, thus increasing our high school graduation rate.

Between FY 2008 and FY 2011, Education Improvement Act (EIA) funding decreased from \$690 million to \$522 million for a total EIA reduction of \$168 million (24%). To the extent possible, I request that any additional and available EIA resources be used to restore this reduction.

State spending for public education fell \$692 million from the FY 2008 level of \$3.2 billion to the FY 2010 level of \$2.5 billion. Because the Education Department's Columbia-based administrative operations account for only 2 percent of the state's total K-12 budget, any additional budget cuts will have inevitable and harmful effects on local schools and districts. Your requested 15-percent reduction, plus your request that we show corresponding reductions for increases, produces a \$1.2 billion fiscal impact. This request does not take into account the need to fund education based on the needs of students and the devastating impact such a cut would have on classrooms and schools across the state. Nonetheless, I can assure you that if any additional cuts do occur, I will work with South Carolina's local administrators and school board members to attempt to absorb them in ways that are the least damaging to students. It is my sincere hope that K-12 funds will be given the priority necessary to demonstrate that we value education and that we are working toward accomplishing our vision for education in the state.

I am very aware of our state's grim budget realities. Accordingly, I am not requesting additional funding for the following programs and activities: \$120 million for court-ordered early childhood programs that would expand CDEPP statewide to 26,800 at-risk students; \$48 million for the K-12 Technology Partnership, which would provide students with

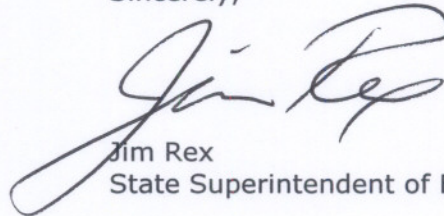
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additional skills for entry into the workforce; \$15 million for salary increases for school nurses and full implementation of the Student Health and Fitness Act enacted in 2005; \$40 million for textbooks and instructional materials that would replace worn and outdated materials.

In FY 2012, the state will not receive Education State Fiscal Stabilization Funds from the American Recovery and Reinvestment Act of 2009 for K-12 public education. This results in a budget cut of \$174 million that school districts will have to absorb. Furthermore, the state's inability to meet the Maintenance of Effort for higher education as required by the EduJobs Act may rob districts of \$144 million in federal funds to avoid teacher layoffs, furloughs, and reductions in pay.

I realize that both of us have only a few short months left to use our positions to move our state forward. I am hopeful, as I know you are, that our state will soon begin to recover from this economic crisis and that more jobs will be created or attracted to South Carolina. And I am convinced that no matter who is Governor or State Superintendent of Education, we must put a premium on education. The welfare of the children of our state is a compelling reason why all citizens and elected officials must work together to ensure that our vision for high-quality education becomes a reality.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Rex", with a large, stylized flourish extending from the bottom left.

Jim Rex
State Superintendent of Education

JR/jp